

FROM: Eve Moran, Administrative Law Judge

DATE: December 7, 2007

RE: Docket 06-0562

Illinois Commerce Commission On Its Own Motion -vs-
Illinois Bell Telephone Company, Verizon North, Inc. and
Verizon South, Inc.

Investigation into the applicability of Section 2-202 of the
Public Utilities Act to intrastate coin drop pay telephone
revenues..

Notice of Ruling

During discussion on December 5, 2007, the Illinois Commerce Commission set out a number of questions. The ALJ is forwarding a copy of same to the parties as important to the status hearing being held on December 12, 2007 at 2 p.m.

QUESTIONS

The Commission is interested in the parties' views on several matters regarding the payment of taxes past due and Commission regulation of coin-drop payphones.

1. Assuming, arguendo, that the Commission determines that PUF taxes are owed for revenues derived for coin-drop payphones:
 - a. Does the Commission have any authority to waive the payment of taxes that are past due? If so, under what circumstances?
 - b. How do tax or utility law and case history treat the payment of back taxes owed by utilities? Do the prescriptions against retroactive ratemaking apply to back taxes that are past due?
2. What regulatory requirements does the Commission continue to impose on coin-drop payphones?
3. Does the Commission still have authority over long distance intrastate coin drop calls?

EM:jt